ii) Due to recovery of the global economy and rise in the freight rates, it is more economical to ply ships than to demolish them;

iii) Increase in custome duty imposed on ships imported for scrapping in 2002-03 from 5% to 15% whereas the main competitor countries like Bangladesh and Pakistan have reduced duty on old ships for scrapping and China has a system of giving subsidy on ship breaking.

iv) Ship breaking industry has competition from the semis produced by the integrated steel plants and the ingots produced by the induction furnaces.

(f) In the current calendar year, Bangladesh at No.1 position and China at No. 2 position are ahead of India in this industry.

Constitution of a Committee to Study increasing steel prices

†1930. DR. MURLI MANOHAR JOSHI:
SHRI RAM JETHMALANI:

Will the Minister of STEEL peased to state;

(a) whether Government have constituted a committee which will study constantly increasing prices of steel in the country and submit its report;

(b) the details of the members of the said committee and by when the committee has been asked to submit its report; and

(c) the reasons for nominating above members in the committee?

THE MINISTER OF STEEL (SHRI RAM VILAS PASWAN): (a) No committee has been constituted by the Government to specifically study the rise in steel prices. However, an Expert Working Group has been set up by the Ministry of Statistics and Programme Implementation to develop a Generic Trigger Mechanism to deal with price rise or fall of bulk construction materials and to evolve a contractual provision to reduce the incidence of time and cost overruns in the construction projects. A High Powered Price Monitoring Board is also functioning under the Department of Consumer affairs to monitor the price of important commodities.

(b) and (c) Do not arise in view of (a) above.

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† Original notice of the Question was received in Hindi.